

Overview of Fiscal Year 2017 Executive Recommended Budget Bay County, Michigan



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November 15, 2016



2017 Executive Recommended Budget Overview

- Introduction
- Revenues
- Expenditures
- Recommendations
- Q&A



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CITIZENS OF BAY COUNTY

- This budget strives to balance the needs of the citizens of Bay County and its employees, while ensuring fiscal responsibility and excellent service to the Bay County community.

FISCAL RESPONSIBILITY

EMPLOYEES



2017 Budget Highlights

- A balanced budget was submitted by the statutory deadline
- Total county spending for all funds \$132M
- Total General Fund expenditures \$35M



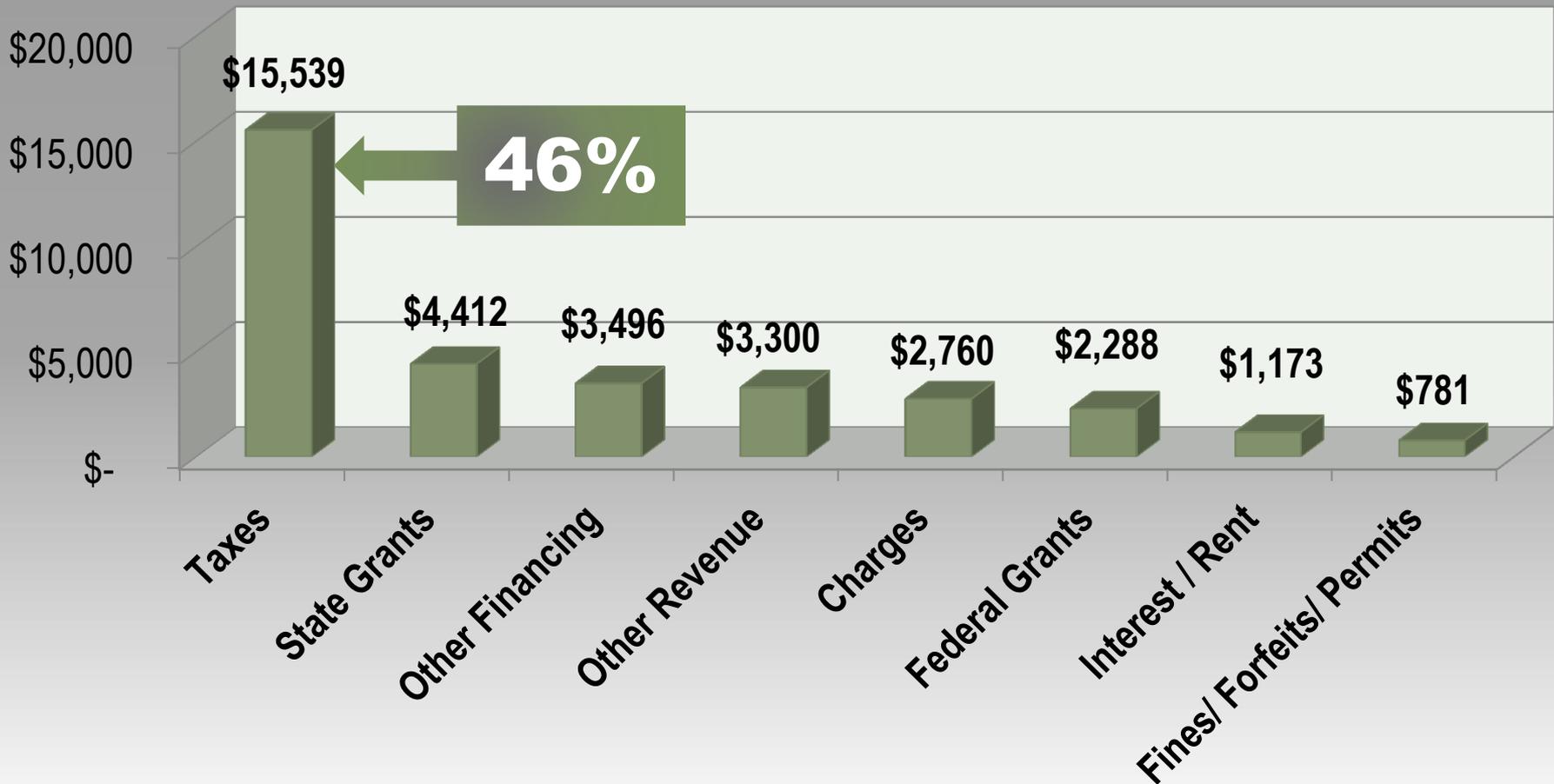
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2017 General Fund Revenues

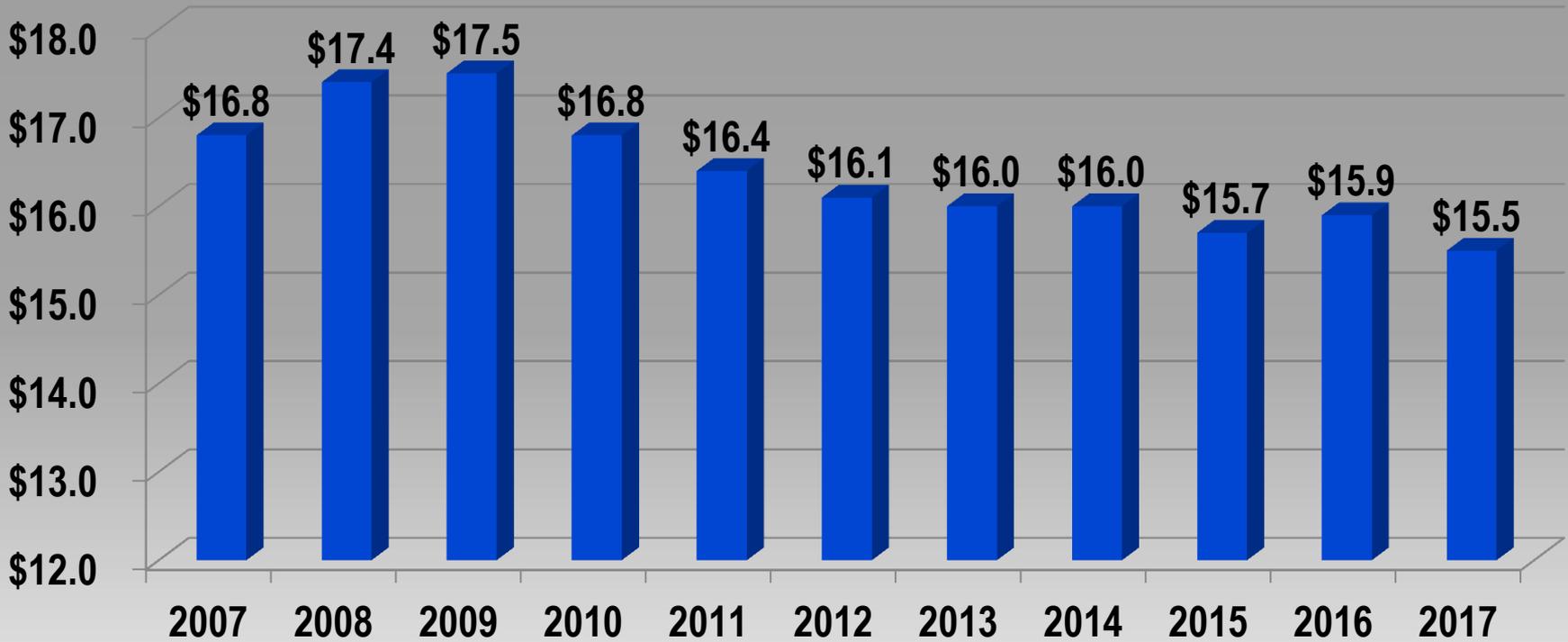
Millions



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Bay County General Fund Property Tax Collections

Millions





2017 - General Fund Revenues

- \$1.2M transfer to the General Fund from the Delinquent Tax Revolving Fund
- Revenue Sharing - 2.6M
- Liquor Tax - 371K

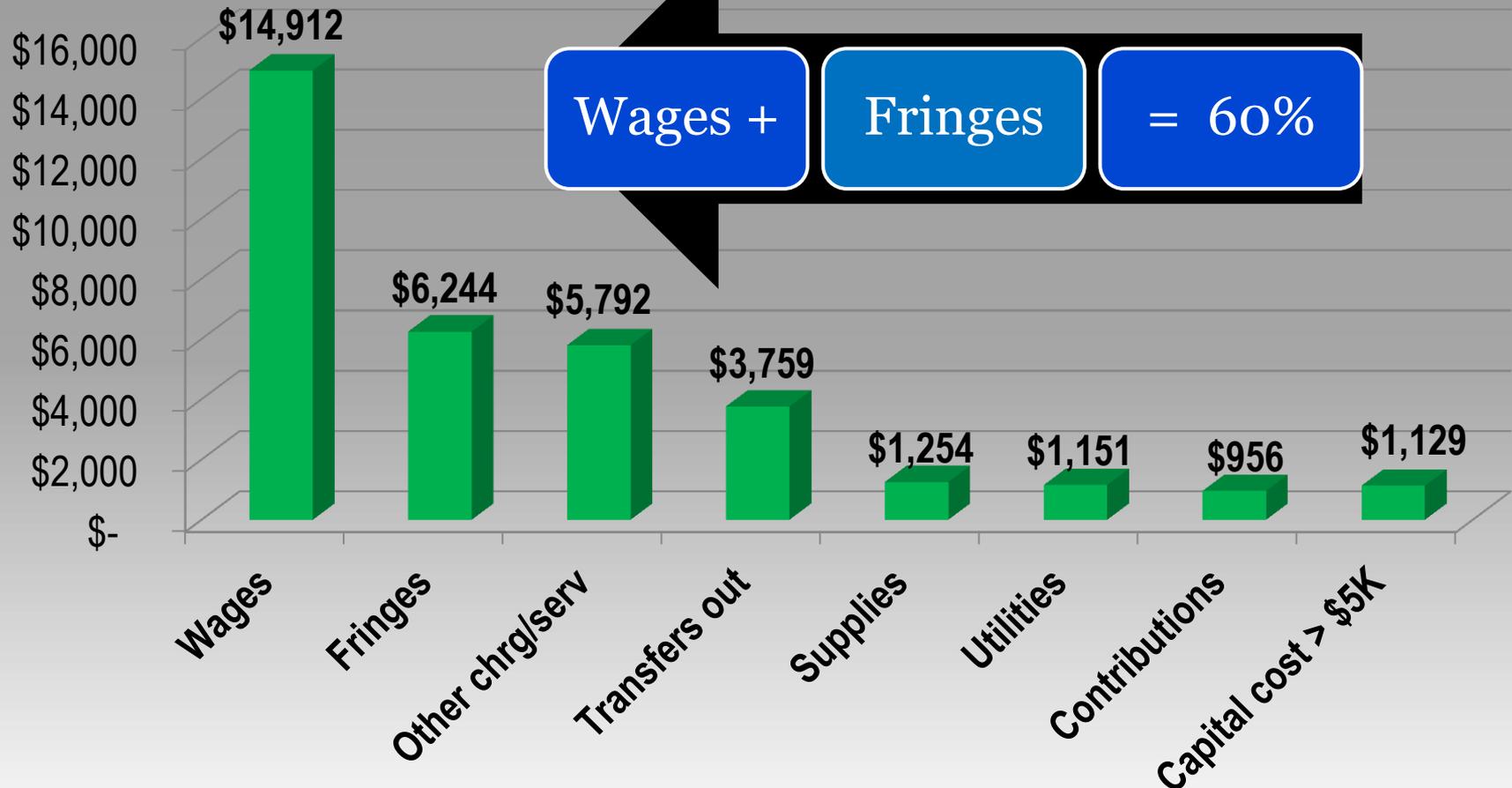


EXPENDITURES

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2017 - General Fund Expenditures

Millions





Other General Fund Expenditure Factors

- Wages- No increase to base is currently included in the 2017 Executive budget, however contract negotiations were finalized as of Tuesday November 8, 2016.

+

One percent (1%) lump sum or three personal days are included in this budget.



Other General Fund Expenditure Factors (Continued)

- Health Insurance-Employers health insurance contributions is projected to be \$3.7M (includes Active & Retirees)
- Continued Health Cost Reducing Measures
 - Co-Pay & Deductible Structure
 - Prescription Incentive Program
 - Wellness Center
 - Wellness Programs

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General Fund Expenditures Retirement System

- As of December 31, 2015, the **General Group** in the retirement system had a funded ratio of 116%; as a result, there is no recommended employer contribution to the pension system for 2017. (however, the 4% employer contribution is currently budgeted)

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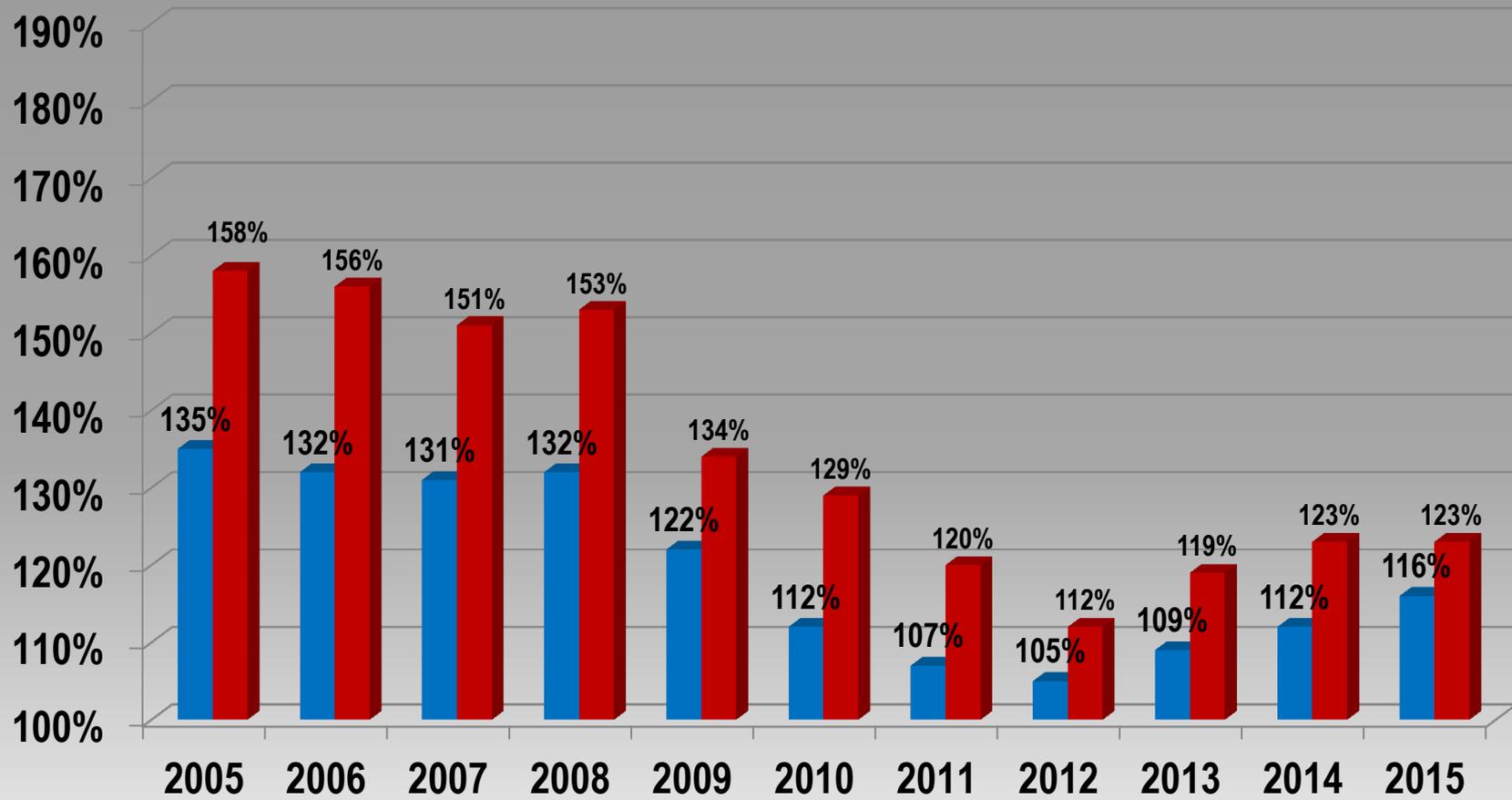
General Fund Expenditures Retirement System (Continued)

- As of December 31, 2015, the **Sheriff Group** in the retirement system had a funded ratio of 123%. As a result, no employer contributions to the pension system are required for 2017.

(the 4% employer contribution for 2017 is currently budgeted)

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Percentage Funding Level of Pension Funds



Blue(left) = General Group Red = Sheriff's Group



2017 Major Transfers Out

- Health Department - \$1.037M
- Juvenile Home - \$619K

Note: Other Child Care programs funded by the General Fund - \$947K, a \$212K GF increase over the 2016 budget (the remaining increase is covered by 50% State match revenue).



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2017 Major Capital Expenditures

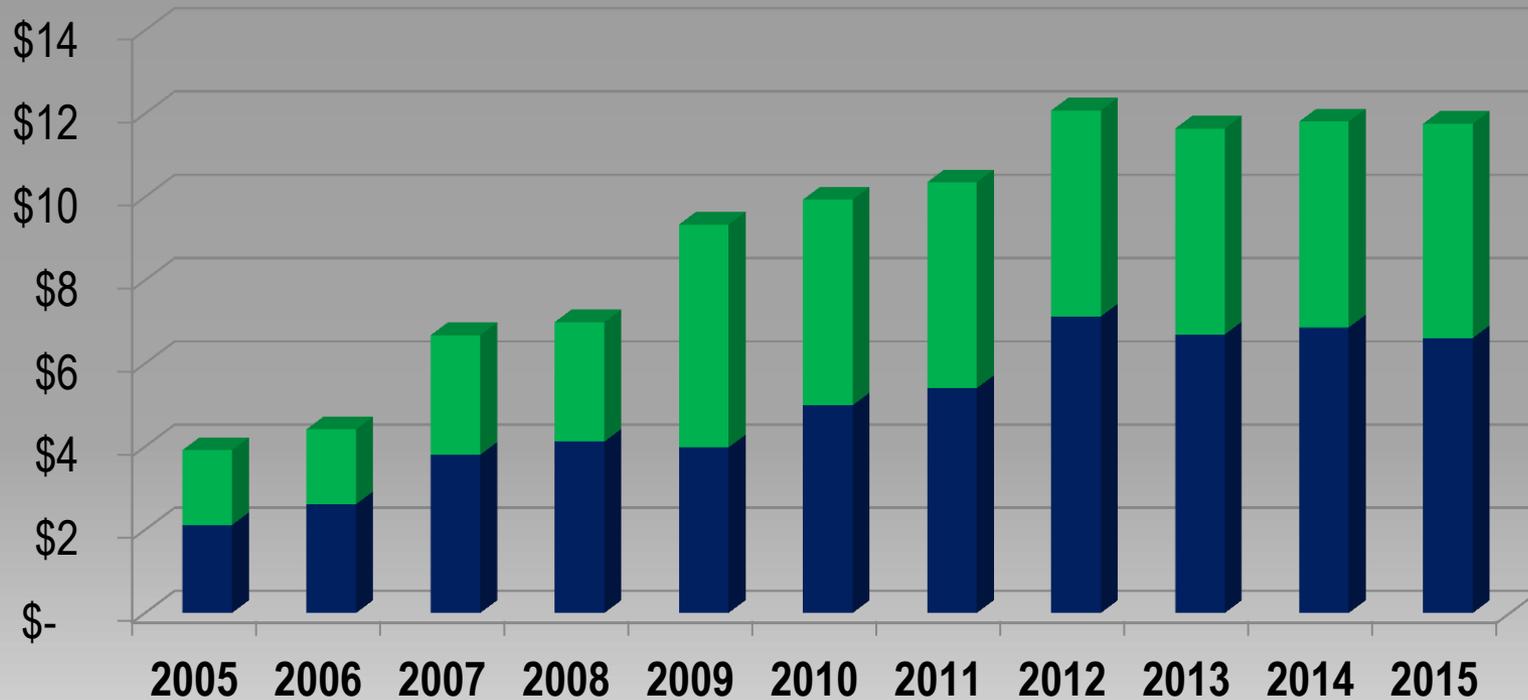
General Fund

- **Buildings & Grounds** \$ 437,000
(Includes County-Wide Phone System from 2016 Budget)
- **Sheriff** \$ 195,900
- **Information Systems** \$ 527,500
- **Secondary Road Patrol** \$ 111,200

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General and Budget Stabilization Fund Balances

Millions



Green: Budget Stabilization Fund

Blue: Assigned & Unassigned Fund Balance

** In FY 2016 1.6M will be moved to Budget Stabilization from Unassigned which will bring the reserve level to 20% based on P.A. 2016, No. 169.*

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RECOMMENDATIONS



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Recommendations

- Use approximately \$1.4M of Unassigned Fund Balance to balance the 2017 budget.
- Continue to prioritize capital outlay projects as to reduce the level of 2017 projects based on need, Capital outlay is budgeted at 2.3M countywide.
- Finalize the negotiated union contracts for the three year period of FY 2017-2019, and adjust the budget as necessary.
- This approach services the needs of the citizens of Bay County and its employees. Additional decisions/adjustments will have to be made to the 2017 operating budget to ensure fiscal responsibility, while still maintaining excellent service to the community.



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Questions?
Thank you!